

no cuts!



Dec
2010

Workers' and community **action** together for **better** jobs and services

As Hackney council prepares to sack thousands and cut services, we say...

Cuts are not necessary!

MYTH

The cuts are necessary!

FACT

They are not! Inside, we debunk the myths the

government has put about to justify their attack on public sector jobs, services, and the working-class as a whole. We show:

- That UK **debt** is not high
- The **deficit** is not a big problem...
- ... but even if it was, there are **loads of other ways** to deal with it than by destroying the public sector!

Meanwhile, surprise, surprise, Hackney Council is not standing up and saying that Hackney cannot afford these cuts. It plans 20% cuts this year. We cannot afford:

- Thousands of **jobs** lost; wages frozen; more pressure
- Education, health, all services cut



350 Hackney council workers spill out of a mass meeting and on to Town Hall steps in October. Unison members voted unanimously for an indicative ballot on industrial action. We all need to support strike action to defeat cuts.

- Benefits cut, and around 2,000 households forced out of Hackney!

But we will say that. We will say: this is an unnecessary, political attack on the working class, and we do not accept it. In local government, in health, and in the

civil service, we can, we must, fight back—see inside for more news and ideas about how to do just that.

MYTH

This has nothing to do with destroying public services in the interests of corporations and the rich.

FACT

Get real!

Hackney on fire?

Fire fighters across London recently held two eight hour strikes. On the first strike day, in a **Hackney block of flats**, striking fire-fighters saw private contractors trying, and failing, to break down an outside door with a sledgehammer. Concerned that there may have been a **risk to members of the public** they decided to help, and by using the sledgehammer properly, were able quickly to gain entrance and establish that there was no danger to life. Then they told the private contractors to go in and do their job. So much for media myths that striking fire fighters don't care about lives.

On the second day, 150 fire fighters braved intimidation to prevent scabs entering **Shoreditch fire station**, forcing them to park behind Mecca Bingo on Hackney Road!

The fire fighters' union called off a third, longer strike on 5 November after management appeared to grant a few concessions. But the struggle against an imposed shift system isn't over, so **we will support fire-fighters going on strike again if necessary.**

Victory for CLR James Library campaign!

Over twenty years ago Hackney Council decided to name the local Dalston Library after the Trinidadian writer, Marxist activist CLR James. It was a tribute not just to the writer but to the many contributions of the African-Caribbean community based in Hackney.

That same community were therefore



250 protested outside Hackney Town Hall on 27 October, demanding that Hackney's councillors refuse to implement the government's cuts

shocked to discover recently that Hackney planned to drop the name of CLR James from the library when it is relocated. It was viewed as an affront to the local black community and other residents and workers who have made Hackney what it is today. After much local pressure and media scrutiny the council were forced to admit they had not consulted enough and would reconsider the name change.

It took just six weeks for the campaign to force the council to back down. A small victory. But one that shows when local people stick together they can have an impact.

By Andrea Enisuoh, BEMA, campaign organiser

Housing benefit cuts—thousands at risk of eviction

In April 2011 the government plans to cut housing benefit. If they get their way, thousands of people in Hackney will have to move out of Hackney, or even London, or be forced to choose

between paying their rent and buying food. The message is clear: London is only meant for the rich.

We want to see Hackney Council use empty properties and all of its available resources to increase its stock of social housing. Instead of doing this, last year the council *under spent* the money they received from council tenants' rents by £3 million. This money was supposed to be spent on repairs many of us desperately need. Council housing was originally created simply to house people, not just the most vulnerable and it should be for everyone. Affordable and secure homes to rent are not a privilege; they are a bare minimum and the council must make creating more social housing their priority.

In Hackney Housing Group we know that while the housing situation seems to be getting worse the only way we can protect ourselves is to come together to support each other. Over the last two years we have learnt we can win housing by working together. **By Ellie Schling**

For more information contact us on 07931 698438 or go to hackneyhousinggroup.wordpress.com

Bedrooms:	Shared	1	2	3	4	5
Cuts to max housing benefit per week in Hackney (£):	-13	-21	-27	-26	-23	-125

Cuts myths busted!

The UK has a very high debt!

Relative to the size of the economy, UK debt is lower than France, Germany, Austria, USA, Japan and many other countries. These countries are not making big cuts in public spending. Several of them are increasing public spending, including the USA. UK debt is also lower now than it has been for most of history, including every year between 1917 and 1969. It is now about ¼ of its 1946 level, when the modern welfare state was launched. It is also lower than the entire period 1719-1871 when the UK's industrial revolution launched the modern world economy.

But the deficit means the debt is increasing very quickly. It can't continue!

The deficit is the amount the government has to borrow each year: the difference between spending and tax income. It's OK for governments to be in deficit, and most governments are in deficit most of the time, because the extra spending helps economies to grow – and pay back the money later. The UK has had a deficit in all but ten years since 1945, and the government deficit before the 2008 financial crisis was not unusually high. Between 1997 and 2008 it was 2.5 times lower on average than it was between 1979 and 1996 – when the Tories were last in charge. They didn't have a problem with it then. The increase in the deficit since then is a temporary product of the financial crisis which began in 2008. It has nothing to do with public sector spending being too high.

It's just like if you were in heavy debt yourself...

No, it's not. Governments are very, very different from households. If you're unemployed and (somehow) borrow to spend money on buying a house, there's no reason that this should make it more likely that you would get a job and therefore be able to pay off the mortgage. It would be pretty silly. But if a government borrows billions and builds thousands of council houses, then more people are employed, those people spend more money, the government collects more in taxes (and has to spend less on unemployment benefit), and is consequently going to be in a better position to pay off the debt, and have some left over besides. And people have more houses. That's why governments can run deficits, and most often do.

Borrowing can continue?

Yes, for a while. It's especially normal for states to run a deficit during a recession, because cutting spending risks a "double dip" (the recession getting worse), or things remaining bad for a very long time – constant high levels of unemployment and low growth. That said, the government probably will have to do something about the deficit some time.

So what else could the government do to cut the deficit?

One, the government can raise more through taxes. Two, the government can encourage the economy to grow, which both increases tax income, and reduces the need to spend on

things like unemployment benefit. Three, they can cut things which help no one – like nuclear weapons (£4bn), foreign wars (£5bn), and the wages of high paid officials. Like Hackney Mayor, Jules Pipe, who earns over £75,000.

But we don't want higher taxes!

In fact, the government has lowered taxes for corporations, whilst raising VAT – the tax which falls most heavily on the working class. Instead, there are lots of ways the government could tax the rich, not the poor – and raise billions. For example, higher taxes on the banks could raise £20bn and cracking down on tax loopholes could raise £15bn. That's nearly half the value of the £81bn cuts. Just one company, Vodafone, was let off a £6bn tax bill this year – enough to pay for almost all of the extra cuts to benefits announced in October 2010.

Encourage growth?

By cutting spending, the government admits it will destroy more than 500,000 public sector jobs, and possibly an equivalent number of private sector ones, in businesses that supply the government, or who rely on custom from public sector workers. This will immediately reduce tax income, and increase spending on unemployment. Maintaining spending would do the opposite: more jobs, more demand, and therefore a smaller deficit.

What does the former World Bank Chief Economist and Nobel Prize winner Joseph Stiglitz think?

See the back page!

Letter on education cuts


I agreed with everything in the Education article in the last issue. Further to that I would also comment that as well as the schools mentioned, already reorganising their support staff, there are others in the pipeline, with **Millfields Primary** starting their consultations next week. But it is also funny how and when they are making these changes, that these changes don't have an impact on the management structures, that in the last few years has expanded to include 'Business Managers' and additional senior managers in the guise of Assistant

Head Teachers as well as Heads and Deputy Heads. When looked at these additional Management positions they must cost these schools in the region of 100k plus. Maybe if they looked at these areas then the ones at the bottom of these pay scales would not be the ones taking the pain when they were not party to the decisions in the first place. **Does anyone see the parallel between these actions and those taken by the bankers?**

*A Hackney education worker
(September 17th)*

“I say you're crazy... This is all scaremongering, perhaps linked to politics, perhaps rigged to an economic agenda, but it's out of touch with reality”

- Nobel Prize winner and former World Bank Chief Economist, Joseph Stiglitz, when asked what he would say to Chancellor George Osborne about the cuts.



Dave's diary!

He doesn't want you to have any presents...

Hackney organising meetings
Tuesday 30 November, 14 December, and 11 January
 7pm, at the MOTH Club—see below for map and info.
 Called by the Hackney Alliance to Defend Public Services.

We are setting up informal meetings in local wards—get in touch to find yours!

Hackney Alliance Christmas Party!
Saturday 18 December
 8pm at the Victoria pub, Queensbridge Road—come to chill out and celebrate good community and good music!

Hackney Alliance is supported by Hackney Unison (Local Government), Hackney Unison (Homerton Hospital), Day-Mer, Refugee Workers' Cultural Association (Gik Der), Hackney Teachers Alliance (NUT), Hackney PCS, Hackney Keep Our NHS Public, Friends of Hackney Nurseries, Hackney Anti-Academies Alliance, Hackney Trades Union Council, Hackney Housing Group . . . representing thousands of Hackney workers, residents and service users. **Join us!**

www.hackneyalliance.wordpress.com

For Turkish see hackneyalliance.wordpress.com/turkiye-turkish/



Got a story? Want to get involved?

- Call Glyn on 07810 545838
- email hackneyalliance@hotmail.co.uk
- Come to our meetings—see above right, or get in touch for ward or estate groups!
- *Need a crèche or help with childcare so you can come? Contact us!*

